

CHAPTER 231

AN ACT concerning county and municipal budgets and supplementing chapter 4 of Title 40A of the New Jersey Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

C.40A:4-54.1 Emergency funding for certain employee group insurance programs.

1. Whenever the accumulated deficits of a municipal health insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.) exceed an amount equal to 10% of the current year's total assessments, the commissioners of the fund may adopt a resolution declaring a special emergency for the purpose of funding obligations to satisfy the accumulated deficits of the employee group insurance programs administered by the fund. The resolution must be adopted no later than 90 days after the fund year end. No resolution adopted by the commissioners for the purpose of authorizing special emergency appropriations for the insurance fund shall take effect without the approval of the Local Finance Board and the Commissioner of Banking and Insurance. The special emergency may be funded for up to three years pursuant to the provisions of either section 3 of P.L.1961, c.22 (C.40A:4-55.3) or section 4 of P.L.1961, c.22 (C.40A:4-55.4).

C.40A:4-54.2 Certified copy of resolution, submission.

2. The municipal health insurance fund shall forward a certified copy of the resolution to each fund member and the Local Finance Board and the Commissioner of Banking and Insurance. The fund shall submit a report to the Local Finance Board and the Commissioner of Banking and Insurance setting forth the elements of the accumulated deficit and provide a detailed plan that will enable the fund to retire the accumulated deficit no later than the last day of the third year following the date of the adoption of the resolution authorizing special emergency appropriations.

C.40A:4-54.3 Notice provided to members.

3. After a resolution authorizing special emergency appropriations has been approved by the Local Finance Board and the Commissioner of Banking and Insurance the municipal health insurance fund shall provide notice to each member that the resolution was approved. The fund's annual assessment shall provide sufficient detail to allow each fund member to determine what portion currently relates to the current fund assessment and what portion relates to the funding of the accumulated deficit. On behalf of members who require relief from the adjusted tax levy provisions of section 10 of P.L.2007, c.62 (C.40A:4-45.45) in order to meet their pro rata share of the deficit assessment, the fund may file a single request for waiver for all members who require such relief. The Local Finance Board shall be authorized to approve such a consolidated waiver request.

4. This act shall take effect immediately.

Approved January 16, 2010.